



## DEPARTMENT OF HUMAN SERVICES

### News Release

**LINDA LINGLE**  
GOVERNOR

---

Lillian B. Koller, Esq., DIRECTOR  
DEPARTMENT OF HUMAN SERVICES  
Phone: (808) 586-4997  
Fax: (808) 586-4890

---

For Immediate Release: September 21, 2005

### **DHS SECURES MORE THAN \$16 MILLION IN NEW FEDERAL AID FOR HOSPITAL SAFETY NET**

HONOLULU – The state Department of Human Services (DHS) has secured \$16.1 million in federal aid to help public and private hospitals bear the burden of treating uninsured and other needy patients. Governor Linda Lingle and DHS Director Lillian Koller presented the hospitals with their portion of the federal funds today during a visit to the Healthcare Association of Hawaii.

A total of \$7.5 million from the federal Centers for Medicare and Medicaid Services (CMS) will go to 15 private hospitals to defray the cost of providing free medical services for the uninsured. An additional \$2.15 million will go to the Hawaii Health Systems Corporation (HHSC) for 12 public hospitals to cover their July to September shortfall for low-income patients with Medicaid state health insurance. DHS will continue to cover the Medicaid shortfall for the public hospitals for the rest of this year with new federal funds, estimated at another \$6.45 million.

Since 1994, public and private hospitals have stopped receiving federal funds for charity health care. The Lingle-Aiona Administration, realizing that Hawaii hospitals were not benefiting from the available funding that could help provide health care to Hawaii's uninsured residents, worked closely with federal officials to gain approval for the money.

"While state hospitals have received some help with state funds for charity healthcare, Hawaii's private hospitals did not receive any state or federal aid for the past 11 years," said DHS Director Koller. "In negotiating with the federal government, our goal was to get these hospitals some much-needed financial relief."

"While we will continue to work to find ways to extend health insurance coverage to all of our residents, these additional federal funds will help Hawaii's public and private hospitals cover some of the costs of caring for the uninsured," said Governor Lingle. "This is another example of the creative and aggressive approach DHS and our entire Administration are taking to identify and secure federal and private funding and partnerships that benefit our residents and leverage our state resources."

The funds, given by CMS to DHS to distribute among the various hospitals, will ease some of the costs incurred with treating uninsured patients in the past two years and Medicaid hospital rate shortfall. The private hospitals receiving monies are:

Castle Medical Center - \$485,313  
Kahuku Hospital - \$22,007  
Kaiser Permanente Medical Center - \$271,285  
Kapiolani Medical Center at Pali Momi - \$182,273  
Kapiolani Medical Center for Women and Children - \$1,346,044  
Kuakini Medical Center - \$144,306  
Molokai General Hospital - \$9,049  
North Hawaii Community Hospital - \$105,858  
Rehabilitation Hospital of the Pacific - \$109,285  
St. Francis Medical Center - \$707,079  
St. Francis Medical Center – West - \$366,541  
Straub Clinic and Hospital - \$772,973  
The Queen Medical Center - \$2,634,858  
Wahiawa General Hospital - \$135,784  
Wilcox Memorial Hospital - \$207,347

"Our hospitals provide needed services that we frequently take for granted," said Department of Health Director Dr. Chiyome Fukino. "Our public hospital system, the Hawaii Health Systems Corporation (HHSC), is the major provider of hospital services on the Neighbor Islands, while private hospitals provide acute care services on Oahu, in North Hawaii and East Kauai."

DHS had asked the Healthcare Association of Hawaii (HAH) to decide, among its membership public and private statewide hospitals, how to distribute the new federal funds to the hospitals. HAH provided the distribution formula to DHS and CMS approved it.

"We are grateful to Governor Lingle and Director Koller for their creativity and tenacity in pursuing this federal aid," said HAH President and CEO Rich Meiers, "and we are grateful for all the hospitals in our state for providing essential medical services to our residents."

**For more information, contact:**  
**Derick Dahilig**  
**DHS Public Information Officer**  
**Phone: 586-4882**